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A TALK DELIVERED BY RURAL ELECTRIFICATION ADMINISTRATOR, JOHN M. CARMODY, AT THE 25TH ANNIVERSARY DINNER OF THE NATIONAL POPULAR GOVERNMENT LEAGUE, BROADCAST OVER THE BLUE NETWORK OF THE NATIONAL BROADCASTING COMPANY, FROM WASHINGTON, D. C., SATURDAY EVENING, APRIL 29, 1939, FROM 8:00 TO 8:15 P.M.

THE ECONOMIC AND CULTURAL SIGNIFICANCE OF ELECTRIC FARM COOPERATIVES

When I was pulling together the material for this talk on the economic and cultural significance of electric farm cooperatives, I asked for comments from some of the 400 cooperatives which are now operating REA-financed power systems all over the country. Their replies not only provided material for my speech -- they wrote it. I certainly could not express any better than they have what the cooperative rural electrification movement in this country means to our National future.

Appropriately enough, the first reply came from a town called Freedom, in Wyoming. It outlines 6 results which the project president observed locally. They are - and I quote:

"Our members realized many things not otherwise obtainable through cooperation. The inferiority complex of farm people is largely overcome. Living standards are improved. Your people more contented. The Extension Service is more appreciated. Members appreciate democratic control of their own business and consequently appreciate more a democratic form of Government."

Getting down to cases, the superintendent of a large cooperative in Idaho said:

"Renters and purchasers of land give preference to electrified farms. Appliance dealers say the REA program largely eliminated the usual seasonal slump. Vacant schools are used as community centers. Young people are taking more interest in farming. B. A. Smith, a dairymen, cut costs one-third."

Here is an example of savings one Wisconsin farmer realized from his electric power:

"One member who keeps accurate accounts shows savings of $75 operating electrically over the same 3-months period operating without electricity the year before. Farmers wives enthusiastically recommending REA to non-using neighbors causing large demand for extensions."

In Iowa, according to the president of a large cooperative:

"Electric current attracts better tenants. Otis Green of Muscatine County has agreed to pay fifty dollars more rent per year providing his landlord makes electric current available."

One of our first cooperatives, and still among the largest we have financed, centers around Piqua, Ohio. The project superintendent wired:

"Twenty-eight cooperative study groups of twelve families are meeting monthly. One hundred percent radio service, creating "new horizons" "optimism" "contentment" giving desire for economic betterment of self and county. The cooperative democracy is training for political democracy."

Across the State line in Indiana, we have a great many projects. The head of a farm bureau organization which assisted in the development of many of them told me:

"Officers of the Federal Land Bank have emphatically expressed the view that rural electrification in Indiana has increased farm values five dollars per acre. Mrs. Armstrong, farm woman, recently said 'I'd never buy a farm unless it were electrified because I have seen the relief it has brought to Indiana farm women.'"

The South is sometimes looked on as a problem area. Caldwell County, North Carolina, is making great steps to solve its problems through cooperative electricity. They have not been producing enough eggs, but now they have put in scores of new electric brooders. They claim to have the best lighted county in Dixie. The superintendent wrote me:

"Our county Superintendent of Education reports that his 6,700 rural students have made remarkable improvement in their grades since they have had rural electrification. The radio has greatly broadened their knowledge of world affairs."

Arkansas has some areas of low income which want better living standards. The Executive Secretary of the Arkansas Farm Bureau Federation answered my inquiry this way:

"In my opinion REA has done more to improve rural social life than any other one factor in recent years. Electrical service has meant an increase in community events, pastors tell me that church attendance and interest have been more noticeable since electrical service became available, and greater participation by parents in school activities is easily apparent. Power is being utilized successfully in every section of the State in innumerable ways and more and more is becoming a part of the farm income instead of an economic burden. Any number of instances where electricity is more than paying its own way have reached our office. REA is an established friend of rural Arkansas."

His views were corroborated by the Chairman of the Arkansas Department of Public Utilities, who added:

"Rural electrification development in this State has already shown material results in increasing the amount and quality of dairy-products. This is of particular importance since Arkansas now produces only one-half of the amount of dairy products consumed by its people."

From Georgia comes encouraging news of crop diversification in the cotton belt. The president of a North Georgia cooperative sent me this message:

"Electric feed grinders, silage cutters and dairy appliances are showing the way from profitless cotton to profitable cattle raising and soil fertility. The McIntyre turkey farm increases profits by grazing turkeys on a flood-lighted range at night, reducing the growing time. Practiced democracy is establishing and renewing interest and faith in democratic institutions as instruments of self-help and self-preservation."

From California comes this testimonial to the place which cooperative electrification has in rural community life:

"Three small towns are now lighted and two more within sixty days. Alturas community has formed softball association for night lighted playgrounds. The Surprise Valley Alfalfa Growers Association are now able to clean cooperatively all their own seeds more efficiently and economically. All of these made possible only through REA."

Not far from Washington is the district known as the Northern Neck of Virginia. That district provided two of the greatest men America has yet produced, George Washington and Robert E. Lee. The farmers there have a strong electric cooperative which has been in operation a little less than a year. Here is how their current is affecting their business and community life, according to the project manager:

"One local cooperative is using electric hotbeds to grow certified disease-free plants for its members. The same cooperative used electricity to cure sweet potatoes during the past winter at greatly reduced net cost over former methods. Consolidation of three small rural high schools into one, offering an enlarged education program, shows the result of the widening mental horizon toward which membership in our electric service agency contributes. We have several instances where boys have changed their outlook on farm and now plan to make farming their life work."

Up in Minnesota a project manager reports that -

"Albert Hennen paid seventy dollars annually for engine operation only. Now an electric motor does exactly the same work yet its use plus lighting and miscellaneous current for complete farmstead use averaged five dollars and ninety cents per month last winter."

I have long felt it imperative that women shall take an active interest in these community undertakings if they are to be successful. Here is a message received from Mrs. Olive Folkerth, who is secretary of a cooperative in Darke County, Ohio:

"This county had never before witnessed a farm organization meeting where such intense interest was shown as the annual meeting of Dark County Rural Electric Cooperative. This program has resulted in closer relationship between urban and rural people. It has stimulated a back-to-the-farm movement as reflected by the rehabilitation of deserted farm residences. There is a growing appreciation by farm people for the support given in rural electrification by the county agent and the home demonstration agent. A member of our board of trustees built a home and wired it nineteen years ago and did not get service until REA made it possible."

Many of these telegrams, as you have heard, show that rural electrification has effects far beyond the agricultural people of the community. One of the best examples of this fact is contained in this report from a cooperative high in the California Sierras:

"Twelve abandoned farms in Lassen County were rehabilitated by REA power making irrigation possible for the first time since 1924. Service to Meadow Valley makes possible the employment of forty men in a box factory otherwise idle. REA power was responsible for the Quincy Lumber Company opening its box factory and dry kilns giving employment to fifty additional people in May. Penman Peak Lumber Company is now rehabilitating its flooring and sash mill, abandoned since 1922 for lack of power. The company will erect fourteen homes this summer to accommodate its employees. There is considerable activity in building vacation cottages. The Feather River Inn is planning to remain open for winter sports due to the availability of REA power. Plumas County supervisors have authorized reopening the Municipal Airport at Portola, and two hangars are being erected, since REA power will light field."

When that message came to my desk it was accompanied by another from the editor of the local paper. I want to read it because it shows that the effects of the rural electrification movement are not unnoticed by community leaders:

"Our project superintendent suggests my telling you the benefits of the Meadow Valley extension which I am delighted to do because paychecks resulting from this job had a tremendously beneficial effect on business in Quincy. Grocery and other stores are particularly grateful for a business stimulus at a time when Spring slump had hit bottom. The project in general has been a boon to farm and summer resort business which are important economic elements to this section. Other benefits include work for electricians and sales for appliance stores, with consequent so-called 'indirect' benefit to the entire community."

Let me conclude by reading this message from Mr. E. A. Eckert, Master of the Illinois State Grange:

"The greatest value is that thousands of farmers are receiving service which the power companies made no effort to give. It has helped to lighten the labor of the farmer and modernized the home, thereby being instrumental in encouraging and keeping many valuable and active people on the farm. The program has been a blessing to rural people."

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